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# THE CHANGE REPORT

An Employee Newsletter

Issue 2 February 1999

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***The Change Report is a new monthly newsletter for employees of the City and Region on the reorganization project.***

***For further information contact Maureen Wilson @ 546-4225.***

## One on One

*Lee Ann Coveyduck, General Manager of Community Planning and Development Division*

Lee Ann Coveyduck was appointed General Manager of the Community Planning and Development Division and started her post on January 4, 1999. Lee Ann came to us from the City of Saskatoon where she was in charge of the Planning and Building Department for the past six years. Lee Ann says that contrary to popular belief, she did not bring the recent string of bad weather with her. Prior to working for the City of Saskatoon, she was Director of Land Development for the City of Ottawa for 7 years. Lee Ann has participated in a number of reorganizations, corporate strategic planning exercises and is a firm supporter of a strong downtown core, community participation, continual customer service improvements, employee empowerment, and utilizing technology to maximize efficiencies.



Lee Ann's family has also embraced the move and her three sons Shane (16), Brodie (12), and Andrew (9) have already jumped into hockey and school with very little effort. Her husband Gord will be joining the family in a few weeks after finalizing the house sale etc. in Saskatoon. Lee Ann was born and raised in Guelph and looks forward to being close to family.

The challenges of the position is what motivated Lee Ann to join us and she looks forward with enthusiasm at the prospect of working with the community and the staff to seek for continual improvements to make our service delivery plan a model for other communities to follow.



## CITY MANAGER'S BULLETIN

### Restructuring Q & A

#### **How did we all become City of Hamilton staff?**

There were basically three options available on how to amalgamate.

#### **Option 1**

**Establish separate management body as a joint venture governed by the City and Region.**

This option remains the goal of the two Corporations, however, statutory impediments presently preclude its creation. The new Corporation would not have immunity from civil liability in the same manner as local governments do. This option is still under review as a longer term solution.

#### **Option 2**

**All staff become Regional employees.**

This would mean the City would sell or transfer its business to the Region. This option was viable, as immunity from civil liability would remain intact.

#### **Option 3**

**All staff become City employees.**

This meant the Region needed to sell or transfer its business to the City. This option was viable, as immunity from civil liability would remain

intact.

#### **The Choice**

*City and Regional Councils reviewed the options and the risks/benefits identified with each. The Councils voted to merge the workforces with the City of Hamilton becoming the employer. All employees remain under the direction of the City Manager, and both Councils retain their governance authority over programs within their jurisdiction*

#### **Who does what?**

Roles and reporting relationships have not changed. Politicians represent their constituents, make policy and program decisions, ensure appropriate administrative practices and procedures are used, oversee fiscal integrity, and carry out other legislated duties. The primary roles of staff are to provide advice to the City and Regional Councils, implement policies, deliver programs and achieve outputs. To carry out these roles staff undertake research, establish administrative practices and procedures to carry out Councils' decisions, keep and preserve records, administer financial affairs and carry out other duties set out in legislation or assigned by the Councils.

#### **Who reports to whom?**

**Politicians report to their constituents.**

The City Manager's Office is the point of interface between

the staff and the politicians who make up the City and Regional Councils.

The City Manager reports to both Regional Council and City Council. Staff carrying out Regionally-mandated or City-mandated services are still responsible and accountable for carrying out those services. They still report to an assigned supervisor. From a day-to-day perspective, the reporting path has not changed.

#### **What is the impact of amalgamation on my job?**

The simple answer is there will be no impact without negotiation. But, let's consider this question from the perspectives of unionized staff and non-unionized staff.

#### **Unionized Staff**

There can be virtually no changes in the terms and conditions of employment for unionized staff without negotiation. To ensure employment contracts are respected there are statutory rules for both the Corporation and the Bargaining Units to follow. These rules are specified in the *Labour Relations Act*, Transfer of a Business Section and in Bill 136, the *Public Sector Labour Relations Transition Act*. To illustrate how these rules work, let's consider an example related to seniority. When an amalgamation takes place legislation requires recognition of seniority. This means the seniority lists from similar bargain-



ing units in each organization are merged to form one new seniority list. This is called "dovetailing". When lists are dovetailed an individual may move up or down on the new list, overall. For example, a person may move from # 25 of 300 members, to # 40 of 600 members. This is essentially a move up on the new list. The direction and degree of individual shift in position on the list will depend on the seniority of others in the merged bargaining unit. Other salaries and benefits remain untouched unless changes are negotiated.

#### **Non-Unionized Staff**

As a practical matter service of non-union staff will be respected and honoured, as are any benefits attached to their years of service.

#### **How does a bargaining unit merger take place?**

The merging of bargaining units can happen in two ways.

First, the Employer initiates a decision to merge and moves employees within the framework established by the *Labour Relations Act*. Unions can challenge these decisions and the Ontario Labour Relations Board acts as the adjudicator of the disputes.

Secondly, by negotiation between the Employer and the Union. This process has

been attempted unsuccessfully in our situation with the parties being unable to reach an agreement. It was however a positive process in which proposals on wage increases (including recognizing the differential between City and Regional employees), benefit protection, maintenance of current contracting out language, and amalgamation provisions appeared to be acceptable to both parties. Most of these agreements mirrored the recently negotiated settlement with the Transit Union.

*The failure to successfully negotiate an agreement centered on the Union's desire to merge the collective agreements of all of the CUPE Locals into a single document. The Employer was prepared to make this a goal to be worked at over the term of the new agreement, while the Union wanted a guarantee that it would be accomplished before the agreement expired.*

#### **What happens next?**

*Absent an agreement to amalgamate, the Employer will proceed under the provisions of the Labour Relations Act to meet its amalgamation objectives. Similarly, we will not ignore our obligation to negotiate collective agreements and are currently developing a full set of proposals reflecting these changed*

*circumstances. We also plan to ask the Unions to start collective bargaining in the near future.*

#### **New Executive Assistant – Office of the City Manager**

The City Manager is pleased to announce the appointment of Anne Louise Heron as his new Executive Assistant. Ms. Heron will apply her expertise in management to support the operations of Mr. Lychak's Office. She has specific interest in management of innovation and strategic marketing. These were central aspects of her studies in the Master of Business Administration program at McMaster University.

Ms. Heron joins the City Manager's Office from Public Health Services where she worked as Manager of the Nutrition and Physical Activity Promotion Program. She has also done extensive innovative project work in both public and private sectors. She began her career in 1974 with the Nova Scotia Department of Public Health.



## Employee Talk Back



In the first issue of the change report, we told you about a number of mechanisms which have been put in place for employees to receive updates on the reorganization and to provide feedback on what's going on. This issue begins the regular feature of "Employee Talk Back", where direct input from employees via DIAL 4167 and Rumour Board will be posted.



**Rumour Board – via  
brumour@aurora.hamilton.ca**



1. I understand that the retirement factor of 85 years is going to be reduced to 75 (still requiring the minimum age of 50 years in effect), is this true? If so, when does it come into effect? How will staff be notified?

**The OMERS Board has recommended that the factor be reduced to 80 (minimum age 50) for employees whose normal retirement age is 65. For police and fire personnel, whose normal retirement age is 60, it would be 75. This information was sent out by OMERS in their last bulletin to all members of the pension fund. Any employee who did not receive the bulletin should address this with OMERS. The changes are subject to the approval of the Provincial Cabinet. This approval has not been granted at this time.**

2. Is it true that the soonest the above proposals [OMERS - Surplus Management Proposals] can be approved by the provincial government (if at all) is March? Has anyone from the Region/City spoken to OMERS or the Province re: expediting passage of these proposals? **Representatives of the City and the Region have conveyed both to the OMERS Board and to the Deputy Minister of Municipal Affairs our concerns about the time it is taking to address the issue of the OMERS proposals. To our knowledge there is no specific timetable and the Government, through cabinet approval, could agree to the OMERS proposals at any time.**

4. Will there be opportunities for part-time work in the new organization?

**As a corporation we currently have numerous opportunities for part time work in a**

**number of locations. It is unclear at the moment what the impact of amalgamation and restructuring will be on positions, whether they are full time or part time. In conclusion therefore, the general answer is yes, however, it is not currently possible to provide any details.**

5. Will the restructuring result in a change of attitude from "be thankful that you have a job" to one that actually makes the employee feel that his work is respected and that his contribution matters? Often it seems that all this down-loading and shifting of funds is used as a license to do what you feel like to employees. And of course we are thankful to be working. I certainly am, but being respected is just as important.

**The organization will be engaging staff in a series of focus group sessions aimed at defining and implementing a new culture and corporate value system for the organization.**

6. Will all non-union positions be posted during the restructuring process?  
**Where a position is unchanged in its duties, it may or may not be posted and the incumbent will be interviewed as the sole applicant to determine whether or not they will be retained in the amalgamated corporation. Where the duties of the position have undergone significant change, or where the new position is an amalgamation of 2 or more previous positions, then the position is posted and the resumes of all applicants are reviewed and appropriate candidates are then interviewed.**

7. Why is it that some employees are not required to compete for a newly created position? Are



the job descriptions of the new positions immediately available for other employees to read?

***If a newly created position encompasses 70% or more of the duties of an established position then the posting procedure can be waived and an employee appointed. This is true for non union positions only. The general answer is yes, however, in some cases, the restructuring is moving faster than documentation and we are using core competencies for the position to evaluate candidates. Any applicant is welcome to enquire about the core competencies being sought.***

8. There are rumours about which staff are moving to City Hall. The strategy does not seem clear even though staff dealing with public are to be located at City Hall. As each department voices their needs they are being addressed, for instance, if space permits and leases can be terminated with minimal cost.

A) R.E.D. Development on the 5<sup>th</sup> Floor of City Hall & Regional Planning now at Right House should be with Planning on the 7<sup>th</sup> Floor The proposal is to move I/S to 5<sup>th</sup> floor with R.E.D. Development.

B) If Regional Planning moves from Right House, Housing & Loans could move from 25 Main to be closer to G.M. of Human Support Services.

C) Regional Clerks is moving yet the combined Clerks Dept has not restructured to determine if all positions are needed.

D) Management of Corporate Services (3 staff) wants to remain at the Robert Thomson Building when they are responsible for facilities which includes City Hall and other sections are in City Hall. There could be some administrative savings if they were with Legal or Clerks.

E) Finance is located at various locations. Right House (Metered Water), Robert Thomson (Region Finance & Investments) & City Hall (former City Treasury, Region Internal Audit, Purchasing). If staff dealing with the public are to be located at City Hall, Metered Water would move to City Hall with Tax and Other Billing and Receivables and other staff could be at other locations. What will happen

to the R.E.D. "one stop" shopping at Right House ?Moving costs money. I hope someone is looking after it.

***The next issue of The Change Report will feature an article on the corporation's accommodation strategy.***

9. Rumour has it that Parking Control and other "works" related enforcement is being separated from the "Operations Division". Is this true and, if so, what is the rational for this.  
***The parking control function is still under review. Management is assessing whether to place all enforcement related activities within the Community Planning and Development Division (along with fire, health and building which are there now) as a way to create synergies and ensure that all "cradle to grave" planning functions, which include some enforcement, are coupled together.***

10. Why is it that a successful applicant (Regional employee) for a joint amalgamated administration position is not told that he will be a "new employee" of the City of Hamilton, (not that the letterhead on the direct deposit makes any difference), and to be prepared for a number of extraordinary occurrences respecting his first payment in the new position?

I think the corporation has a responsibility to ensure the following does not happen to everyone who joins the joint administration:

I shouldn't have to ask why I only got paid one week's salary, instead of two.

I shouldn't have to ask why I have no deductions for Group Life coverage, and consequently, no coverage.

I shouldn't have to ask why I have no deductions for my Optional Life Insurance, and consequently, no coverage.

I shouldn't be told that I do not have benefit coverage because of the three month waiting period for new employees.

There should be an procedure established for the transfer of C.P.P. and E.I. deductions,



rather than advising me that because I now work for a new corporation, I will have to overpay those statutory deductions (and recover the overpayment when I file my 1999 Income Tax).

I suggest that if we expect to have the best employees for the new amalgamated administration, that we consider treating them appropriately.

***This incident is now under review and staff in HR are working diligently to redress all these problems. None of these difficulties should have occurred. There are obviously reasons why it happened but suffice it to say that none of them justify the outcome. Any move of an employee from the Region to the City or vice-versa should be seamless for the employee and that they should suffer no negative impact as a result of the change.***

11. Rumour has it that the Special Income unit of Human Support will be moving to the new Upper James office True or False  
***Nothing will be decided on any new locations/relocations until at least the end of February.***

12. I Hear That The Aldermen Have No Say In The Decision Making Process. Can You Confirm Or Deny?

***Rumour Board understands the service policy role resides with an elected body, in this case a municipal council. To use the now popular steering and rowing analogy:***

***- Elected representatives steer (make policy decisions).***

***- Staff row by being accountable for decisions on management and delivery to implement council's policy decisions.***

***Literature describes the governing body (council) as the entity which sets the rules, standards and priorities without being involved in the direct management and delivery of services.***

***In the case of the City and Region reorganization, the elected body determined that the merger of the two corporations was to take place and approved the administrative design (organization) of the merged entity. An elected body determines the priorities of the corporation (through the budgeting process and a number of other strategic policy venues). The elected body also must authorize the appointment of certain positions responsible for implementing the priorities of council (City Manager, General Managers)***

13. Is the Region Pay for Performance Incentive still in effect?

***Yes, until such time as a revision to our compensation practices is considered.***





**"DIAL 4167"** – A 24 hour confidential telephone message centre.



1. Which division will the purchasing department fall under?  
***It will fall within the "Accounting and Purchasing Division" of the Finance Dept.***
2. Could you provide more information on the paragraph referenced in the first issue of The Change Report on the subject of service standards and monitoring: what are service standards, who sets them; how are they implemented; do they change over time?

***In the previous issue of The Change Report, the City Manager described his vision of the new organization, including its shape. He described a future organization that is horizontal, as opposed to vertical, in its design. In this way, responsibility is shifted to lower levels throughout the organization, and there are fewer levels. Service standards are crucial to our ability to "realign" the corporation. Standards and monitoring will enable the organization to remain accountable while authority and responsibility is decentralized and inflexible command-and-control functions are pared back.***

***There are many terms used to describe this manner of operation. For our purposes, "outcome and performance measurement system" has been adopted to emphasize the fact that outcomes are the most important things to measure.***

***This kind of system is used to gain insight into, and make judgements about, the effectiveness and efficiency of an organization's programs, processes and people. Our organization will have to decide on what indicators will be used to measure our progress in meeting strategic goals and objectives. We will have to gather and analyze performance data and then use these data to drive improvements in the organization and successfully translate strategy into action. The performance goals of any***

***organization represent a shared responsibility among all its employees, each of whom has a stake in the organization's success. Employee involvement will have input into all phases of creating a outcome and performance measurement system. In order to succeed, outcome and performance measurement must be treated as an ongoing process. An organization's commitment to such a process signals a commitment to continually build, change and improve.***

3. There have been no communications with outside workers that I am aware of. There should be more communications from Lychak and Coveyduck. Will they be visiting outside workers?  
***The City Manager is making every effort to meet with inside and outside employees of the merged corporation. In terms of outside workers, Mr. Lychak has met with Parks staff on Barton Street, Public Works located on Upper Ottawa Street, Victoria Yard, Parking services at Summer's Lane, and Roads.***

***Ms. Coveyduck, officially started work in the new year and has been able to meet with most staff in the division via a walk through and introduction on a department by department basis. A Divisional Meeting took place on January 28th for all staff in the Division to provide them with an update on Divisional and corporate issues. The Divisional Meetings will be scheduled every quarter. The General also plans to meet once a year with each staff member on an individual basis. In addition, a monthly Divisional newsletter will soon allow for updates on various Divisional matters. Ms. Coveyduck will attend Section meetings once a month so that the line of communication between staff and the General Manager can be open. If there are other formats or additional suggestions that would better meet the needs of staff, Ms. Coveyduck has indicated that she will gladly consider them because "communications is essential to our success as a team."***





5. Where will cemeteries be located within the new organization?

**Currently located in the Transportation, Operations and Environment division. Regional and City Councils appointed the new General Manager of this division on January 19, 1999. Mr. Leitch will commence work in mid-February, and a thorough review of this division will ensue thereafter.**

6. Which areas are being considered for contracting out?

**See the next issue of The Change Report for an article on Contracting Out.**

7. Why in properties maintenance, do city vehicles go home not only with city employees, but also with outside contractors. There doesn't seem to be enough emergency calls to substantiate such expense.

**A comprehensive review of fleet policies will be completed in 1999 which will include in its scope of study items such as vehicle usage, identification of surplus vehicles, opportunities for vehicle sharing and other related matters.**

**Presently, vehicles are permitted to "go home" with both municipal staff and trades staff (plumber and carpenter foreperson) who are hired from the local trades union hall for a few reasons:**

**Staff that take the vehicles home are expected to respond to out-of-hours calls, 24 hours a day, 7 days per week. By taking the vehicles home, the thinking is that they are able to respond directly to the problem. The corporation is charged from the time the workers leave home. It is reported that we save approximately 1 hour charge – the amount of time it would take to travel to the shop to get and return the vehicle.**

**Staff who take the vehicles home begin each work day the moment they leave home. Municipal facilities are located throughout Hamilton-Wentworth. Rather than travelling to the shop each day to re-**

**trieve the vehicles, staff directly to a building location and begin their work day. Staff are dispatched via a two-way radio system and can be reached at the start of their shift.**

**The vehicles are outfitted with tools and supplies. It is reported that there is not sufficient space to lock the vehicles indoors at the municipal garage. There is added security in permitting staff to take the vehicles home.**

8. I've heard there may be more buy-outs for senior workers in the organizations. Is that true?  
**Currently, there are no plans being discussed to buy-out senior workers and/or supervisors.**

*Personnel related questions were received via the **Rumour Board** and **DIAL 4167**.*

*These questions and comments have been forwarded to Senior Management for review.*

*Given the confidentiality of most personnel items, they cannot be reprinted in the **Change Report** and nor on the **Rumour Board**. This does not mean however, that action will not be forthcoming.*